

27th June 1952]

# APPENDIX

[Vide item IV on page 5 supra.]

## *Speech of Sri C. Subramaniam, Finance Minister, presenting the Budget for 1952-53 to the Legislative Assembly and Council of Madras on the 27th June 1952.*

Sir, I consider it a privilege to present this budget <sup>Introductory.</sup> to the first legislature of this State elected under our New Constitution. Honourable Members are aware that a budget for the current year was presented to the old legislature last March and a vote on account was obtained to cover the expenditure of the Government during the first four months of the year. That budget has now been revised, making allowance for the altered trend of receipts and expenditure and the changes in policies proposed by the present Government.

2. The budget, as now recast, shows that our <sup>Famine.</sup> revenues are likely to fall from Rs. 6,390 lakhs, as estimated last March, to Rs. 6,176 lakhs and that our expenditure may increase from Rs. 6,476 lakhs to Rs. 6,535 lakhs. The reasons for this adverse turn in our fortunes, are not far to seek. In preparing the earlier estimate, the Finance Department was guided, as usual, by the actuals of the first eight months, April to November, of 1951-52. Seasonal conditions, which were expected to be normal, took a distressing turn by December. No provision had been made for

[27th June 1952]

the wholesale remission and suspension of land revenue and cesses in many districts and the huge unprofitable outlay on famine relief measures. With the recent rains, we may hope to have passed through the worst phase of this famine, but as the crisis unfolded itself in all its grimness last March and April, we had necessarily to mobilise all our available resources; to ward off the impending catastrophe. In dealing with this famine, which is comparable to the worst that had afflicted Rayalaseema in living memory, we had to develop a new technique to suit the times. Famine relief measures in the past, consisted very largely of the provision of Test-works, by which, work was exacted from the able-bodied at the subsistence level of wages. The test, as prescribed in the Famine Code, was indeed rigorous and enabled the labourer, after the day's fatigue, to earn just enough to keep body and soul together and the wages were paid in the staple grains of the district. Relief administered in this severe form, did serve the end in the past, at a comparatively low cost, but this method seemed to savour of exploitation of the misfortunes of the stricken-people and fitted ill with the spirit of the new Constitution and the responsibilities of a Government set up on adult franchise. No attempt was therefore made by the Government to declare the areas as famine-affected and to apply the Famine Code. Work was provided by opening up a large number of irrigation, road and well works in all parts of the affected areas and the only limit set to this activity, was the demand for employment. Wages were paid not at the subsistence level prescribed in the Famine Code, but at current market rates. Whenever a tendency was noticed on the part of the contractors to lower wages and thereby to exploit the distress of the people, they were eliminated and direct departmental execution was ordered. Gruel centres were opened in



27th June 1952]

all areas and a cheap meal was served, free of cost, to the aged, the infirm and children. Middle class people who were unaccustomed to hire themselves out as casual labour, were assisted by the grant of subsistence loans free of interest. The grant of takkavi loans was liberalised for the support of the larger pattadars. The most distressing feature of the present famine was the acute scarcity of drinking water. Hundreds of wells were sunk and deepened at public cost and arrangements were also made for the transport of water to the affected areas by rail, motor and country carts. A lump-sum grant of Rs. 150 was sanctioned for each village-community for deepening one well in their habitation. In order to preserve the cattlewealth of the area, hill-grass and other fodder, were arranged to be sold at subsidised rates wherever possible. It is too soon to form a reliable estimate of the cost of these relief measures, because the works are still going on and the bills take time to be embodied in the Public Accounts. Under our existing system of accounts, the expenditure on different items of relief is not shown under one single head. The outlay on irrigation works is entered under the Irrigation Head, on wells under Rural Water-supply and on roads under Civil Works or grants to Local Bodies. On a rough reckoning, the total cost of all relief measures has been estimated at about Rs. 6 crores under the following broad categories:—

(a) Suspension and remission of Land Revenue and cesses—Rs. 150 lakhs.

(b) Relief works—Rs. 150 lakhs—These are made up of construction and special repairs of roads, irrigation works and wells. A portion of the outlay under this head has been found by concentrating the normal programme of the State in the famine districts; but this expedient has not gone very far.

[27th June 1952]

(c) Gratuitous relief—Rs. 50 lakhs—This is mainly the cost of running gruel centres.

(d) Takkavi and subsistence loans—Rs. 200 lakhs—The possibility that a good portion of these loans might ultimately have to be written off as irrecoverable has to be borne in mind by the Government.

(e) Miscellaneous expenditure—Rs. 50 lakhs—This sum represents the expenditure on various items such as provision of fodder for cattle, prevention of epidemics, cost of special establishments, etc.

A good portion of the total estimated outlay was incurred during the last financial year resulting in a large deficit for that year, to which I shall refer a little later. In the past, the expenditure on famine was usually met by withdrawals from the Famine Relief Fund. The amount to the credit of this fund now is about Rs. 60 lakhs and this would have been sufficient to meet the cost of relief measures on past standards. But, the present expectations on relief measures have so altered that the accumulations in the Fund would not go far and I am considering whether our annual contribution to this fund should not be enhanced with effect from next year. It is now proposed to withdraw Rs. 55 lakhs from this fund during the current year. The Government of India have taken note of our difficult financial position and the Prime Minister has expressed his anxiety to do his best to help this State. In order to release funds for relief works, the Central Government have bought Rs. 2 crores worth of our securities at current market rates. They have also promised to give us a half-grant on the sum spent on gratuitous relief and this may amount to about Rs. 25 lakhs. We should indeed be grateful for this much of monetary assistance; but considering the magnitude of the calamity that has



27th June 1952]

overtaken us, I need hardly mention that the assistance held out is not nearly enough to set us back on our feet. We have requested the Government of India for an outright grant of Rs. 2 crores and let us hope that our request will be granted. In the meanwhile, we shall keep the relief measures going to the extent necessary under the altered conditions, till a crop matures in the affected areas.

3. Before I leave this subject, I must request the House to place on record, our appreciation and gratitude for the timely help rendered by the army in relieving water scarcity and I hope my friends on the Opposition benches will join with me, in this respect. The measure of the army's help can hardly be reckoned in terms of money, but our fighting forces may well take comfort in the thought, that by this kindly act of theirs, they have earned the goodwill in abundance of the stricken people. We must record our gratitude to the Prime Minister, who had lost no time in drawing public attention to the disaster that had overtaken Rayalaseema and for the generous donation amounting to about Rs. 4 lakhs from the Prime Minister's Relief Fund. Our thanks are also due to the various non-official organizations and individuals, within and outside this State, who have canvassed assistance in cash and kind and also helped in organizing various relief measures.

4. Another important factor which has upset the balance of our budget, is the recent slump in trade and industry. As honourable Members are aware, the sales tax is our major source of revenue. To the extent prices have fallen, the yield from this multi-point-tax, will diminish correspondingly. When prices are unsteady, transactions in the wholesale market get temporarily arrested and this diminution in the total turnover, accentuates the fall in receipts

Fall in prices.

[27th June 1952]

from sales tax. On the eight months' actuals of last year, we had estimated a revenue of Rs. 1,625 lakhs under this head for 1951-52 but the collections amounted to only Rs. 1,558 lakhs, registering a fall of Rs. 67 lakhs. We are now taking credit for only Rs. 1,450 lakhs under this head for the current year, as against the estimate of Rs. 1,600 lakhs anticipated in the budget presented last March and it remains to be seen whether even this revised target would be reached at all.

Relief to  
handloom  
weavers.

5. The fall in prices would have been welcomed by the Government, in spite of the immediate reduction in revenues, but for the fact that it is now causing a famine of a different kind, but of almost equal malignancy, in the handloom industry, which is the sole occupation of one in every thirteen of our people. Stocks manufactured with the high-priced yarn have accumulated in large quantities with weavers, who are unable to sell them at competitive rates in the open market, where there is a glut of the cheaper mill-goods. These weavers have not accumulated reserves, with which to cut their losses and they have been without employment for some time now. The matter has been engaging the attention of the Government and they have just initiated proposals to set the wheels of this industry moving again. Unemployed weavers are to be organized into co-operative societies, the Government advancing the share capital due from individual members. The rolling capital required for the purchase of yarn will be borrowed from commercial Banks on the guarantee of the Government. Weavers will be paid daily wages, more or less at a subsistence level and the finished product will be sold at prices at which the market would absorb them. The losses sustained by the societies will also be made good by the Government. The financial consequences of these proposals cannot be assessed now, but it is



27th June 1952]

the intention of the Government to implement them irrespective of cost and to ask the House for a supplementary demand later on in the year. A solution of the problem on this basis of State-aid can only be of a temporary nature, but it is hoped that the industry would soon be able to hold its own, on a competitive basis. The lasting solution to the problem lies in finding an assured internal or overseas market and the Government will do its best to assist in this respect. In the meanwhile, the Government of India have been apprised of the facts of the situation and it is hoped that they would do their best to press handloom products to the maximum extent possible for departmental use and also to so regulate the manufacture and export of mill goods, as to create an internal demand for this cloth.

6. The fall in the general price level, which I almost seemed to regret, as Finance Minister, is however the most important factor which helped to set my mind as Food Minister, on the policy of relaxation of controls over foodgrains, now being implemented. When prices fall, speculators do not venture to make easy money by cornering stocks. They have all burnt their fingers in varying degrees in recent months and are not likely to be tempted to fresh adventures for some time. That was the reason why we are now having surprisingly large stocks of sugar, cloth and other essential articles in the free market and that was also one of the reasons why the stock of grains in Government godowns touched the peak figure of 5 lakhs of tons. We have been keeping the vexatious controls on, all these years, not because we had liked them at any time, but because we felt defenceless without them. Here then was an opportunity to shake the fetters off the cultivator, without undue risk to the consumer and the Government considered it best, not to let the chance slip. Today rice of good quality is available in adequate quantities in the free markets of all rural and urban areas of this State, at prices

Relaxation  
of food  
controls.

of 2000  
and 2000  
2000

[27th June 1952]

within the reach of the average consumer. I quite see that with the lean months immediately ahead of us, it would be presumptuous to draw optimistic conclusions; but with the stocks in Government godowns, still very much intact, we should not be unduly apprehensive. If our bold bid should succeed, we must receive in time the usual import quota of about 2 lakhs of tons of rice, to be sent to the danger zone of Malabar and the Nilgiris. And the bulk of this quota should be low-priced rice from other States in India and not the expensive stuff imported from overseas. Now that we have relinquished control over local procurement, it is no longer open to us to levy the usual surcharge on the local produce, with which to balance the high price on foreign imports. The disparity in price between the foreign and the local rice—about Rs. 12 per maund—is too vast to be subsidised in full, out of State revenues. The Government of India have given us the necessary assurances in this respect and let us hope that they would be able to sustain us, as was agreed on. The de-control would incidentally enable us to effect some retrenchment in the expenditure on food administration which has amounted to about rupees one crore per annum. This being a transition-year, we have to be alive to unexpected developments and therefore, we are not taking credit in the budget for the probable savings under this head. The final picture will be presented to the House along with the revised estimates for the year.

7. The downward trend in prices should be welcomed by us for yet another weighty consideration, namely that it is assisting a large number of hard-pressed public servants on fixed incomes, to stabilise their domestic budgets. It is no doubt true that these classes can feel appreciable relief, only if food prices fall, but the reduction though slight, in the prices of other articles such as cloth, jaggery, edible oils and condiments, is not an inconsiderable



27th June 1952]

factor. The Government have considered this question very carefully and have gone some way to give them relief. The children of all Non-gazetted Government servants, and of employees of local bodies drawing Rs. 300 and less per month, and of aided school teachers, will in future be given full-fee concessions in elementary and lower secondary schools and half-fee concessions in high schools. Non-gazetted Government servants and employees of local bodies are already enjoying certain concessions in respect of medical attention and it is now proposed to enlarge these concessions, so that they may enjoy full and free medical attention in all public medical institutions. The cost of these concessions cannot be assessed now, because relevant statistics have not been maintained. Considering that about 4 lakhs of public servants are eligible for these concessions and they may be sending their children to schools, in larger numbers in future, the ultimate cost may be of the order of rupees one crore per annum. Provision is being made in the budget for a sum of Rs. 50 lakhs as additional educational grants, but if more money is actually required, the House will be approached in due course, for a supplementary grant. The advantage of this form of relief, as against the enhancement of Dearness and other allowances, is that it reaches the people, more or less in proportion to the size and needs of their families. The Government feel that they have done their best to these people under the present circumstances and let us hope that these measures will be appreciated by the beneficiaries.

8. Before I deal with the revised budget figures for the current year, I shall refer briefly to the financial position as disclosed in the accounts of the last financial year:—

|                   | Budget<br>Estimates<br>for<br>1951-52. | Revised<br>Estimates<br>for<br>1951-52. | Preliminary<br>Accounts<br>for<br>1951-52. |
|-------------------|----------------------------------------|-----------------------------------------|--------------------------------------------|
|                   | RS.<br>LAKHS.                          | RS.<br>LAKHS.                           | RS.<br>LAKHS.                              |
| Revenue .. ..     | 5,963                                  | 6,348                                   | 5,918                                      |
| Expenditure .. .. | 6,030                                  | 6,358                                   | 6,247                                      |
| Deficit .. ..     | 67                                     | 10                                      | 329                                        |

Accounts of  
1951-52.

[27th June 1952]

It will be some time before the Accountant-General can furnish the accounts for last year as finally adjusted by him. On the basis of the information now available, the revenue for 1951-52 amounted to only Rs. 5,918 lakhs as against the revised estimate of Rs. 6,348 lakhs. The revised estimate was, as usual, prepared on the basis of eight months' actuals of the year and had not taken into account the subsequent deterioration due to adverse seasonal conditions and the slump in the commodity market. The fall in revenue of Rs. 430 lakhs occurred chiefly under "Land Revenue" (— Rs. 121 lakhs), "Stamps" (— Rs. 74 lakhs), "General Sales Tax" (— Rs. 67 lakhs), "Electricity Schemes" (— Rs. 53 lakhs) and grants from the Government of India for Grow More Food schemes (— Rs. 47 lakhs). The fall in revenue was to some extent compensated by reduction in expenditure amounting to Rs. 111 lakhs which occurred mainly under "Civil Works" (— Rs. 92 lakhs), and "Agricultural Engineering" (— Rs. 54 lakhs). The expenditure on "Police", however, showed a rise of Rs. 33 lakhs. The net result was a revenue deficit of Rs. 329 lakhs, as compared with a deficit of only Rs. 10 lakhs anticipated in the revised estimate.

9. The total capital expenditure excluding State Trading Schemes in 1951-52 was Rs. 19.7 crores which was practically the same as the revised estimate. As regards State Trading Schemes, the revised estimate took credit for a net sum of about Rs. 2 crores, but the accounts now available, show a credit of about Rs. 1 crore only. The cash balance shown in the accounts of State Trading Schemes, does not represent any profit to the Government on the working of these schemes. It only represents the net result of the purely cash transactions of the year, as posted in the accounts and does not make allowance for the value of stocks on hand, outstanding liabilities or



27th June 1952]

other dues. The Government have been subsidizing these State Trading Schemes heavily both directly and indirectly and, therefore, it was a misnomer to have called them trading schemes. It would perhaps be more appropriate to classify them as welfare schemes.

10. Under "Loans and Advances by the State Government", the net disbursements amounted to Rs. 317 lakhs as against the original Budget figure of Rs. 200 lakhs. The increase was mainly due to larger disbursements to cultivators, necessitated by the prevailing adverse seasonal conditions.

11. I now pass on to the figures in the Budget for the current year 1952-53—

|                                                  | Interim<br>Budget. | Present<br>Budget. | Budget<br>Estimate,<br>1952-53.<br>Revenue<br>Account. |
|--------------------------------------------------|--------------------|--------------------|--------------------------------------------------------|
|                                                  | RS.<br>LAKHS.      | RS.<br>LAKHS.      |                                                        |
| (a) Revenue (on the basis of existing taxation). | 6,390              | 6,176              |                                                        |
| (b) Expenditure on Revenue Account.              | 6,476              | 6,535              |                                                        |
| (c) Deficit (on the basis of existing taxation). | 86                 | 359                |                                                        |

As compared with the interim Budget, our revenues may go down by Rs. 214 lakhs. The reduction is mainly under General Sales Tax (—Rs. 150 lakhs) and subsidies from the Government of India for Grow More Food and other schemes (—Rs. 60 lakhs). On the other hand, the present estimate of expenditure is higher than the interim Budget by Rs. 59 lakhs. The main increases are under relief works (Rs. 73 lakhs) and fee concessions (Rs. 50 lakhs) and are off-set by the proposed withdrawal of a sum of Rs. 55 lakhs from the Famine Relief Fund. The Budget assumes that seasonal conditions in this year will be normal and therefore there will be no necessity for large-scale

[27th June 1952]

remissions. It further assumes that trade will revive after the present temporary hesitation and that wholesale prices will stabilize at about present levels. It will be seen that the deficit in the Budget as now envisaged (Rs. 359 lakhs) is of the same order as the deficit disclosed in the accounts of last year (Rs. 329 lakhs). I shall deal with the measures to cover this deficit a little later.

New  
schemes.

12. Even though we are faced with an alarming deficit, substantial provision has been made in the Budget for new schemes covered by the National Plan, the ultimate cost of which will amount to Rs. 357 lakhs non-recurring and Rs. 42 lakhs recurring. A full list of the new schemes will be found in Annexure I of the Budget Memorandum. Special mention may be made of a building grant of Rs. 4 lakhs towards the opening of a new Engineering College by the Alagappa Chettiar's College Endowment Trust at Karaikudi, a building grant of Rs. 2 lakhs to the Engineering College run by the P.S.G. & Sons' Charities, Coimbatore, and special grants of about Rs. 1 lakh each to the Andhra and Annamalai Universities and Rs. 30,000 to the Madras University. Provision has been made, as usual, for building and equipment grants, amounting to Rs. 10 lakhs to various aided educational institutions. It is proposed to raise the Government Arts College for Women, Guntur, from II Grade to I Grade and new courses of study are being opened in the Arts Colleges of Srikakulam, Kumbakonam, Madras, Rajahmundry and Pudukkottai. It is also proposed to put up new buildings to accommodate the Engineering College, Anantapur, now located in semi-permanent army hutments. In the Public Health Department also, several beneficent schemes are being taken up. The available bed-strength is being increased in the City and district hospitals to the extent new space is available. The expansion of the Guntur Hospital, to an ultimate bed-strength of 500, is being sanctioned



27th June 1952]

along with the proposal to construct the Medical College buildings. Grants-in-aid will be given to 38 new Maternity and Child-Welfare Centres. A special grant of Rs. 2 lakhs is proposed to a new tuberculosis sanatorium in Malabar. A programme for the provision of drinking water in the Agency areas at an ultimate cost of Rs. 16 lakhs is being sanctioned. Amongst the new schemes of the Animal Husbandry Department, the key-village scheme is of special interest, because it aims at stocking certain select areas with cattle of improved breeds to serve as centres for the spread of those breeds to adjacent villages. In the Industries Department, it is proposed to sanction the manufacture of 50 additional hand-boring sets for being hired to cultivators. The accommodation available at Todhunternagar for low-paid employees of the Government in the City will be increased by the construction of 30 additional quarters at a cost of Rs. 2 lakhs. The usual provision is being made for loans to local bodies, Rs. 17 lakhs to the Madras Corporation, Rs. 9 lakhs to other local bodies and Rs. 10 lakhs to the City Improvement Trust.

13. Honourable Members may have heard, from accounts in the Press, of the Community Development Projects, sponsored by the Government of India, with American technical and financial aid. What is contemplated under these projects is Intensive Rural Development in certain selected areas with special emphasis on food production. Six such centres of development will be located in this State, one in the area of the Cuddapah-Kurnool canal in the Ceded Districts, another in the ayacut of the Lower Bhavani Project in Coimbatore, the third in the Malampuzha Project lands of Malabar, the fourth in the Periyar ayacut of Madurai, the fifth in the rain-soaked hinterlands of South Kanara and the last in the old delta of East Godavari. Each centre will consist of about 300 villages and will be in charge of a Development

Community  
Develop-  
ment  
Projects.

[27th June 1952]

Officer who will be guided and advised by a committee consisting of officials and non-officials and presided over by the District Collector. The development of each centre is expected to cost about Rs. 60 lakhs and the outlay now contemplated will be spread over a period of three years. Agriculturists are to be given help for increased production in the form of manures, improved strains of seed, essential machinery, irrigation facilities and cheap credit. The social and educational aspects of rural development will also be attended to by an expert staff on the co-operative basis. It is the ultimate aim to spread out this form of development gradually from the select centres over the entire country in due course, as and when adequate money and staff become available. Financial assistance is proposed to be rendered to States in the initial years, as grants and loans from a Central Fund, to which the Government of the United States of America will make liberal contributions. The work in the States will be guided and co-ordinated by the Central organization under the control of the Planning Commission. We have just appointed a Special Officer of the status of Secretary to the Government to draw up the necessary plans. It is proposed to accord financial sanction to this programme later in the year after the investigation is completed. At this stage it is not possible to assess the direct financial implications on the State Budget and therefore only a token provision is being made in the Budget for this purpose. Operations in the field are expected to commence by next October and let us hope that the high expectations that are now being aroused, will materialize.

Firka  
Develop-  
ment  
Schemes.

14. The work envisaged under the Community Projects is not far different in its scope or shape from what is being attempted by us in the 84 firkas selected for Intensive Rural Development. What we have been attempting in these firkas is to educate the villagers on the art of self-help, with small grants from the State in providing rural water-supply, internal



27th June 1952]

communications and common amenities. We had also combined our Khadi Development Schemes with this programme in order to absorb the idle hours of agricultural labour. We had not been able to achieve spectacular results, merely because we did not have funds enough to do the job on the American model. The Special Officer of the Government of India in charge of the Community Development Projects was pleased to observe, after his recent visit to some of our selected firkas, that we had already made a good start, comparable to what is being done under the much publicized Etawah Development Scheme of the Uttar Pradesh Government. A provision of Rs. 6 lakhs has been made in the Budget for extending our less ambitious scheme to 25 new firkas, lying contiguous to the existing ones.

15. The total estimated capital expenditure for the year outside the Revenue Account is Rs. 1,986.5 lakhs. The bulk of this expenditure is on Irrigation, Rs. 897 lakhs and Electricity, Rs. 800 lakhs. Honourable Members are aware, that early in the post-war period, long before the Planning Commission came into existence, we had launched a programme of irrigation and electricity development in this State. The Tungabhadra multi-purpose project, the Bhavani and the Malampuzha irrigation projects, the Machkund and Moyar hydro-electric projects, the Pykara, Papanasam and Madras electrical plant extensions, are some of the major items of this programme. Progress was slow in the initial years owing to the post-war shortages in machinery and technical man-power, but these bottle-necks were relieved by 1949, when increasing outlay became feasible. We had invested about Rs. 16 crores on these projects last year and a larger outlay is possible this year, if funds are available. The smaller items of this programme, such as the Nellore and Madurai Thermal Schemes, the Ceded Districts Scheme, the Vijayavada and Visakhapatnam plant extensions have already come into fruition and the

Capital  
outlay.

[27th June 1952]

first set of generators of the Moyar hydro-electric project has just been commissioned. With the outlay proposed for the current year, the Bhavani Project can be completed this year and the Tungabhadra and the Malampuzha Projects can be brought up to the last stage. When our programme is completed by next year, we would have rendered additional irrigation possible on about 1 million acres of land and also doubled the power generation of the State. The Central Government, while assisting us to the maximum extent possible, by way of loans and purchase of our holdings of securities, have been advising us of late, to restrict our outlay for this year, in view of the overall financial difficulties facing the country. We have pruned down the estimates of our engineers to the maximum extent possible and have now limited the total outlay to about Rs. 20 crores, which, it is hoped, would be acceptable to the Centre. If further curtailment is not enjoined on us, as a matter of national necessity, it would be possible to go ahead with the major projects like Tungabhadra, Bhavani, Malampuzha, Machkund and Manimuttar, according to the present progress and requirements of those works. Details of the allotment under each project are given in an Appendix to the printed copy of my speech.

Grow More  
Food  
Schemes.

16. We have been spending, in recent years, very considerable sums for the construction of a large number of small irrigation schemes and the renovation of our existing irrigation tanks. These works of high Grow More Food value, were being subsidized by the Centre in full at one time and up to 50 per cent of the unproductive outlay in recent years. We are now told that the Centre is no longer in a position to grant these subsidies indefinitely. According to their latest formula, the agriculturists benefited by these schemes should themselves provide half the outlay in cash or kind and if that is agreed to, the remaining cost should be shared by the Centre and the State in equal proportions. We can undertake these works in future, on



27th June 1952]

the scale we had been doing so far, only if the concerned ryots volunteered to meet half the cost. I hope the necessary amount of sacrifice and co-operation would be forthcoming from the people to enable us to carry on this useful programme. In the meanwhile, we have provided in the Budget Rs. 60 lakhs for small irrigation works and Rs. 60 lakhs for the renovation of tanks. Works already on hand will be completed expeditiously, but new works of this kind can be undertaken only on the basis of self-help, with assistance from the State.

17. A provision of Rs. 70 lakhs has been made under the capital head for deposit towards compensation to zamindars and inamdars, on the acquisition of their estates. The process of acquiring these estates for being converted into the ryotwari system, is expected to be completed this year and this would register a landmark in the history of our land-tenures. Survey and Settlement operations are now going on in the areas and the long-neglected irrigation sources are all being set right at heavy public cost. It may take a few more years before these works are completed in an orderly manner; but this delay has not prevented the affected ryots from enjoying the major benefits of the scheme, such as fixity of tenure and reduction in assessment. Under the Acquisition Act, the balance of compensation due to zamindars, can be paid in full, only after the Survey and Settlement operations are completed. In order to provide a Reserve, from out of which the final payment can be made, the Government have opened a special fund, into which Rs. 30 lakhs was put in last year and Rs. 20 lakhs is proposed to be put in this year.

Zamindari  
Abolition.

18. With the decontrol of foodgrains and the abolition of procurement, the transactions under State Trading Schemes will diminish very considerably. At this time of flux, it is impossible to forecast whether there would be any net credit or debit under this head, affecting the general ways and means budget. For the

State  
Trading  
Schemes.

[27th June 1952]

present, it is presumed that these transactions will balance each other. The Budget provides for a net outlay of Rs. 9 lakhs only, under this head, to cover the subsidy and establishment charges mainly on certain manure distribution schemes.

Loans and  
Advances by  
the Govern-  
ment.

19. The net disbursements in the current year under loans and advances, are expected to be only Rs. 132 lakhs as against Rs. 317 lakhs last year. The reduction in outlay is due to the fact that the loan instalments postponed last year, owing to adverse seasonal conditions, are expected to be recovered along with the next harvest, which falls in the current financial year itself.

Proposals  
for  
additional  
taxation.

20. I shall now pass on to the measures proposed by the Government to bridge the wide gap in the revenue budget. We had run into a deficit of Rs. 129 lakhs in 1950-51 and the preliminary accounts have shown a deficit of Rs. 329 lakhs in 1951-52. If we had large reserves and only inappreciable outlay on capital works, we could have desisted from levying fresh taxes to cover the deficit of a particularly bad famine year like this. But our reserves are fast getting depleted on useful capital works, and there will be very little to fall back on, at the end of the current year. The alternatives before us are, either to cut out all new schemes and retrench on existing schemes, to bring about a saving of Rs. 3½ crores or to increase our resources to cover the deficit, in keeping with the general scheme of the National Plan. That Plan envisages the augmentation of our resources by Rs. 5 crores in each of the 5 years, of which Rs. 4 crores are expected to be raised by additional taxation and Rs. 1 crore by retrenchment on routine administrative expenditure. The Plan has not made allowance for the inroads of natural calamities like famine and floods, on the resources of the State, as has happened to us now. The Government have applied their mind carefully to this matter and they feel that the proper course is to endeavour to implement the Plan, even



27th June 1952]

though it would mean some little extra sacrifice. They have therefore decided to impose the following new taxes forthwith:—

(a) A surcharge on passengers travelling by public transport buses at the rate of one pie per mile. Operators will be enjoined to levy this surcharge from passengers along with fares and remit the amounts every month into the Government Treasury. This measure is expected to give a yield of Rs. 2 crores in a full year and about Rs. 1 crore in the current year.

(b) Enhancement of the Sales Tax on motor spirit from 4 annas to 6 annas per gallon. In anticipation of the approval of the House, this measure was implemented with effect from last week. Transport buses subject to surcharge on passenger fares, will be given full rebate on this additional levy from the date the surcharge is actually collected. This measure may give Rs. 30 lakhs in a full year and Rs. 20 lakhs in the current year.

(c) Levy of a surcharge on land revenue on larger holdings based on a sliding scale. This is expected to bring in about Rs. 75 lakhs in the current year.

(d) Levy of betterment fees on lands newly brought under irrigation at public expense. The levy is proposed to be spread in easy instalments over a period of years. This may bring in about Rs. 60 lakhs in the current year.

(e) Levy of a special tax on the sales of foreign liquor to permit-holders. This may yield about Rs. 15 lakhs in the current year.

If all these proposals for new taxation are accepted, our resources during the current year will be enhanced by Rs. 270 lakhs, leaving a deficit of Rs. 89 lakhs only.

[27th June 1952]

Now that we have decontrolled foodgrains, some portion of the remaining deficit may be covered by retrenchment in the Civil Supplies Department. Any little balance that may still be left over can be met by withdrawal from the Revenue Reserve Fund. The additional taxes may be expected to yield over Rs. 4 crores in a full year and therefore we may be having some little margin in the coming year to implement a few more useful schemes covered by the National Plan, assuming of course, that Nature will be kind to us, at least in the ensuing agricultural season. We can now claim that we had played the part expected of us in the National Plan towards developing new resources and let us hope that the foreign and Central assistance held out to us in the Plan will reach us without halt or hesitation.

Ways and  
Means.

21. With the breach in the Revenue budget practically closed, our requirements on the general ways and means side during the current year will be about Rs. 28 crores.

|                                                                                          | RS.<br>LAKHS.    |
|------------------------------------------------------------------------------------------|------------------|
| (a) Overdraft from the Bank at the beginning of the year.                                | 442              |
| (b) Capital expenditure outside the Revenue Account.                                     | 1,986            |
| (c) Capital outlay on State Trading Schemes ..                                           | 9                |
| (d) Loans and advances by State Government (net disbursements).                          | 132              |
| (e) Repayment of the outstanding balance of the 3 per cent loan raised in 1937 and 1940. | 219              |
| (f) Minimum balance to be kept with the Bank ..                                          | 40               |
|                                                                                          | <hr/> 2,828      |
|                                                                                          | or               |
|                                                                                          | <hr/> 28 crores. |



27th June 1952]

Against this sum, we were having at the beginning of the year about Rs. 14½ crores worth of securities in the Revenue Reserve Fund and Cash Balance Investment Account and let us assume that we can cash them during the year. We may hope to raise a sum of Rs. 4 crores in the open market including a conversion operation of the loan, which becomes due for repayment this year. The Government of India had assisted us with a loan of about Rs. 7 crores last year, besides buying up large blocks of our securities. They have not yet indicated the measures of their assistance for the current year, but we may assume, that in view of our special difficulties, they might be in a position to lend us from the Special Development Fund and other sources, about Rs. 10 crores. If these anticipations materialise, we may hope to close up the year's transactions, without any appreciable overdraft from the Bank.

22. We would have practically exhausted our accumulated reserves during the course of this year. On the 1st of April 1946 we were holding unattached securities worth Rs. 43¾ crores in the Revenue Reserve Fund and Cash Balance Investment Account and this had come down to Rs. 14½ crores on the 31st of March 1952. We had thus depleted the Reserves by about Rs. 29 crores. During the same period, we had borrowed in all, from the Government of India and the open market, about Rs. 31 crores. The total worsening by about Rs. 60 crores on the debit side has been more than covered by the capital outlay of Rs. 62 crores and net disbursements to local bodies and agriculturists of about Rs. 16½ crores, making a total investment of Rs. 78½ crores during the same period. It is true that our capital investments have not yet begun to yield us a return, but they may be

Utilization  
of reserves.

[27th June 1952]

expected to do so almost immediately, with the completion of our major projects. Honourable Members can, therefore, see that far from squandering our reserves, we have augmented them appreciably from current resources during this period and what is more important, put them to proper use on projects which would not only bring in a fair return to the exchequer but also spread prosperity and good cheer to large sections of the people. There is no special virtue in accumulating reserves as such. They are after all intended to meet the needs of lean years.

**Assets and liabilities.**

23. In respect of our debt also, we continue to maintain a very strong position. The total public debt and other liabilities of the State under all heads amounted to Rs. 92 crores on the 31st of March 1952. As against this, we held on the same date, capital and remunerative assets of the value of Rs. 131 crores. The details can be seen in Annexure II to the Budget Memorandum. I therefore claim with confidence that the advance we have so far been able to make is built upon a foundation of sound policy coupled with financial rectitude.

**Conclusion.**

24. I take this opportunity to place on record our gratitude for the consistent support extended to us by the Reserve Bank in recent years, in the matter of ways-and-means accommodation. No doubt, we held large blocks of securities, but those securities matured only on distant dates and the Bank was not bound to advance large sums to us on their pledge. Under the agreement with the Bank, the maximum overdraft that we are eligible to at one time is only Rs. 80 lakhs, but there were occasions in the last two years when the overdraft amounted to several times that figure. Shri B. Rama Rau, the Governor and his Deputies had recognized from the very start, that such temporary



27th June 1952]

difficulties were unavoidable for a State, implementing a substantial programme of productive capital works. They stood by us steadfastly on all those occasions and we have indeed cause to be gratified, that the direction of this great institution is in hands worthy of the people's trust and confidence.

Before I conclude, with your permission, Sir, and that of the House, I wish to express my appreciation of the able work of the officers and staff of the Finance Department, particularly that of the Finance Secretary, during the period I have been in office. It is not a mere formal compliment, for no one knows better than myself, how ably and loyally they have discharged their duties throughout this difficult period.

25. With these observations, Sir, I commend to the acceptance of the House, the budget estimate for 1952-53, as recast by the present Government.

வாய்மையே வெல்லும்  
TRUTH ALONE TRIUMPHS

# ANNEXURE I.

REVENUE AND EXPENDITURE ON REVENUE ACCOUNT OF THE MADRAS STATE FROM 1938-39 TO 1952-53.

| Major heads of revenue.                             | 1938-39. | 1945-46. | 1946-47. | 1947-48. | 1948-49. | 1949-50. | 1950-51. | 1951-52<br>(Revised<br>Estimate). | 1951-52<br>(Preliminary<br>Accounts). | Interim<br>Budget<br>Estimate,<br>1952-53. | Present<br>Budget<br>Estimate,<br>1952-53. |
|-----------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|-----------------------------------|---------------------------------------|--------------------------------------------|--------------------------------------------|
| (1)                                                 | (2)      | (3)      | (4)      | (5)      | (6)      | (7)      | (8)      | (9)                               | (10)                                  | (11)                                       | (12)                                       |
| RS.                                                 | RS.      | RS.      | RS.      | RS.      | RS.      | RS.      | RS.      | RS.                               | RS.                                   | RS.                                        | RS.                                        |
| LAKHS.                                              | LAKHS.   | LAKHS.   | LAKHS.   | LAKHS.   | LAKHS.   | LAKHS.   | LAKHS.   | LAKHS.                            | LAKHS.                                | LAKHS.                                     | LAKHS.                                     |
| A. REVENUE.                                         |          |          |          |          |          |          |          |                                   |                                       |                                            |                                            |
| Taxes on income other than Corporation tax          | 22.50    | 4,31.25  | 4,48.05  | 5,35.32  | 8,42.22  | 8,23.32  | 8,29.15  | 9,15.43                           | 9,15.43                               | 8,83.40                                    | 8,83.40                                    |
| Land Revenue—                                       |          |          |          |          |          |          |          |                                   |                                       |                                            |                                            |
| Gross receipts including portion due to irrigation. | 7,00.78  | 7,97.33  | 8,53.19  | 8,08.42  | 7,68.79  | 8,12.09  | 9,50.71  | 10,41.80                          | 9,20.59                               | 10,43.55                                   | 10,43.55                                   |
| Excise .. .. .                                      | 3,72.23  | 16,79.50 | 14,67.99 | 10,69.18 | 3,66.54  | 58.82    | 55.23    | 39.15                             | 38.39                                 | 33.54                                      | 33.54                                      |
| Stamps .. .. .                                      | 1,73.37  | 3,74.20  | 4,37.74  | 3,35.92  | 4,05.57  | 4,32.68  | 4,38.49  | 5,28.49                           | 4,54.61                               | 5,19.62                                    | 4,75.00                                    |
| Forest .. .. .                                      | 45.63    | 1,43.24  | 1,61.39  | 1,82.81  | 1,59.57  | 1,65.70  | 1,88.56  | 2,23.44                           | 2,08.04                               | 1,86.04                                    | 2,00.00                                    |
| Registration .. ..                                  | 32.70    | 69.83    | 75.96    | 78.90    | 86.55    | 95.47    | 1,07.97  | 1,18.49                           | 1,09.58                               | 1,20.00                                    | 1,20.00                                    |
| Receipts under Motor Vehicles Acts.                 | 81.22    | 97.96    | 1,31.11  | 1,66.64  | 1,97.45  | 3,00.73  | 3,48.74  | 3,85.38                           | 3,90.31                               | 3,85.66                                    | 3,85.66                                    |
| Other taxes and duties—                             |          |          |          |          |          |          |          |                                   |                                       |                                            |                                            |
| General sales tax .. ..                             | ..       | 5,82.70  | 6,95.90  | 8,31.26  | 13,03.01 | 15,24.35 | 15,86.87 | 16,25.00                          | 15,58.21                              | 16,00.00                                   | 14,50.00                                   |
| Other items .. .. .                                 | 3.19     | 1,45.33  | 1,49.38  | 1,98.52  | 2,29.32  | 2,85.54  | 3,08.61  | 3,53.36                           | 3,60.42                               | 3,50.82                                    | 3,50.82                                    |
| Total ..                                            | 3.19     | 7,28.03  | 8,45.28  | 10,29.78 | 15,32.33 | 18,00.89 | 18,95.48 | 19,78.36                          | 19,18.63                              | 19,50.82                                   | 18,00.82                                   |



27th June 1952]

| Irrigation—                                |         |         |         |           |           |           |           |           |           |           |           |  |
|--------------------------------------------|---------|---------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|
| Direct receipts .. ..                      | 6-31    | 11-73   | 12-82   | 11-88     | 12-06     | 13-78     | 14-29     | 14-29     | 12-30     | 13-30     | 13-34     |  |
| Deduct—Working expenses.                   | — 38-39 | — 70-00 | — 79-38 | — 91-08   | — 1,03-44 | — 1,17-86 | — 1,14-94 | — 1,30-32 | — 1,35-11 | — 1,11-62 | — 1,11-65 |  |
| Net receipts .. ..                         | — 32-08 | — 58-27 | — 66-56 | — 79-20   | — 91-38   | — 1,04-08 | — 1,00-65 | — 1,16-03 | — 1,12-81 | — 98-32   | — 98-31   |  |
| Irrigation—                                |         |         |         |           |           |           |           |           |           |           |           |  |
| Direct receipts .. ..                      | 1-99    | 2-80    | 3-02    | 2-80      | 3-09      | 4-28      | 4-54      | 2-89      | 3-25      | 4-37      | 4-37      |  |
| Interest .. ..                             | 19-73   | 95-00   | 1,24-43 | 79-95     | 93-72     | 91-73     | 77-07     | 72-48     | 69-77     | 58-96     | 58-96     |  |
| Administration of Justice ..               | 15-39   | 53-75   | 48-92   | 72-51     | 73-12     | 80-99     | 84-55     | 88-52     | 84-65     | 88-76     | 88-76     |  |
| Jails and Convict Settlements.             | 5-98    | 15-10   | 13-03   | 13-21     | 15-99     | 22-05     | 20-98     | 25-43     | 19-23     | 23-43     | 23-43     |  |
| Police .. ..                               | 5-66    | 18-93   | 15-76   | 13-79     | 70-51     | 27-28     | 26-86     | 27-16     | 28-86     | 19-06     | 19-06     |  |
| Ports and Pilotage .. ..                   | 44-67   |         |         | — 47-08   |           |           |           |           |           |           |           |  |
| Education .. ..                            | 8-35    | 15-41   | 27-58   | 32-63     | 30-29     | 42-54     | 31-90     | 46-53     | 54-00     | 37-77     | 38-08     |  |
| Medical .. ..                              | 10-25   | 18-15   | 17-81   | 20-35     | 23-33     | 23-08     | 27-07     | 25-52     | 25-85     | 25-60     | 25-60     |  |
| Public Health .. ..                        | 2-59    | 6-63    | 5-95    | 5-49      | 7-79      | 6-34      | 7-55      | 9-09      | 8-70      | 8-02      | 8-02      |  |
| Agriculture .. ..                          | 3-12    | 20-73   | 30-05   | 22-64     | 23-86     | 35-30     | 1,18-24   | 1,11-22   | 1,10-94   | 1,39-47   | 1,40-59   |  |
| Veterinary .. ..                           | 1-02    | 3-34    | 3-62    | 2-73      | 3-50      | 5-30      | 5-93      | 7-94      | 7-54      | 7-92      | 8-34      |  |
| Co-operation .. ..                         | 4-18    | 9-60    | 7-68    | 8-89      | 12-28     | 18-82     | 26-45     | 27-52     | 18-83     | 23-91     | 25-49     |  |
| Industries .. ..                           | 18-85   | 59-17   | 60-06   | 72-49     | 75-31     | 77-32     | 1,20-39   | 1,35-60   | 1,13-28   | 2,02-14   | 2,23-10   |  |
| Miscellaneous departments.                 | 7-62    | 11-02   | 15-99   | 17-14     | 20-68     | 25-64     | 42-61     | 36-53     | 41-21     | 37-06     | 37-06     |  |
| Civil Works .. ..                          | 25-12   | 48-46   | 66-31   | 1,11-25   | 86-34     | 1,15-54   | 1,06-47   | 1,24-39   | 1,05-37   | 1,97-09   | 1,97-09   |  |
| Receipts from Electricity Schemes (Gross). | 42-51   | 1,17-73 | 1,25-14 | 1,83-89   | 2,71-22   | 3,21-41   | 3,77-61   | 4,61-46   | 4,67-70   | 5,09-12   | 5,09-12   |  |
| Deduct—Working Expenses.                   |         |         |         |           |           |           |           |           |           |           |           |  |
| Net receipts .. ..                         | 17-70   | 53-85   | 52-90   | 61-96     | 85-12     | 1,01-22   | 1,44-48   | 1,90-41   | 1,37-19   | 1,89-46   | 1,89-40   |  |
|                                            | — 24-81 | — 63-88 | — 72-24 | — 1,21-93 | — 1,86-10 | — 2,20-19 | — 2,33-13 | — 2,71-05 | — 3,30-51 | — 3,19-66 | — 3,19-72 |  |

[27th June 1962]

| Major heads of revenue.                                        | 1938-39.      | 1945-46.      | 1946-47.      | 1947-48.      | 1948-49.      | 1949-50.      | 1950-51.      | 1951-52<br>(Revised<br>Esti-<br>mate). | 1951-52<br>(Preliminary<br>Accounts). | Interim<br>Budget<br>Esti-<br>mate,<br>1952-53. | Present<br>Budget<br>Esti-<br>mate,<br>1952-53. |
|----------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------------------------------|---------------------------------------|-------------------------------------------------|-------------------------------------------------|
| (1)                                                            | (2)           | (3)           | (4)           | (5)           | (6)           | (7)           | (8)           | (9)                                    | (10)                                  | (11)                                            | (12)                                            |
| RS.<br>LAKHS.                                                  | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS.                          | RS.<br>LAKHS.                         | RS.<br>LAKHS.                                   | RS.<br>LAKHS.                                   |
| <b>A. REVENUE—cont.</b>                                        |               |               |               |               |               |               |               |                                        |                                       |                                                 |                                                 |
| Receipts in aid of super-annuation.                            | 2.88          | 6.03          | 6.46          | 7.39          | 4.80          | 5.07          | 5.96          | 5.06                                   | 5.02                                  | 4.79                                            | 4.79                                            |
| Stationery and Printing ..                                     | 3.96          | 12.92         | 13.04         | 13.75         | 13.44         | 33.67         | 16.90         | 17.10                                  | 16.78                                 | 16.32                                           | 16.32                                           |
| Miscellaneous—                                                 |               |               |               |               |               |               |               |                                        |                                       |                                                 |                                                 |
| Gross Receipts from Bus Service (a).                           |               |               |               | 23.35         | 95.88         |               |               |                                        |                                       |                                                 |                                                 |
| Other items .. ..                                              | 14.58         | 41.34         | 87.53         | 93.54         | 92.40         | 1,39.22       | 1,65.52       | 90.93                                  | 99.90                                 | 1,06.87                                         | 1,34.21                                         |
| Total .. ..                                                    | 14.58         | 41.34         | 87.53         | 1,16.89       | 1,88.28       | 1,39.22       | 1,65.52       | 90.93                                  | 99.90                                 | 1,06.87                                         | 1,34.31                                         |
| Receipts from Road Transport Schemes—Gross Receipts (b).       |               |               | —             | —             | —             | 1,04.06       | 1,16.68       | 1,21.39                                | 1,14.99                               | 1,33.08                                         | 1,33.08                                         |
| Working expenses (b) ..                                        | ..            | ..            | —             | —             | —             | 91.87         | 1,00.84       | 1,05.26                                | 1,02.76                               | 1,13.63                                         | 1,13.63                                         |
| Net receipts .. ..                                             | —             | —             | —             | —             | —             | 12.19         | 15.84         | 16.13                                  | 12.23                                 | 19.45                                           | 19.45                                           |
| Miscellaneous adjustments between Union and State Governments. | 0.27          | 0.13          | 0.14          | 0.10          | 0.21          | 0.22          | 0.20          | 0.20                                   | 0.06                                  | 0.20                                            | 0.20                                            |



1952]

|                                                                                                                                                                         |            |            |            |            |            |            |            |                                   |                                           |                                    |            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|------------|------------|------------|------------|-----------------------------------|-------------------------------------------|------------------------------------|------------|
| Grand total ..                                                                                                                                                          | 16,13-45   | 47,98-89   | 57,05-02   | 50,70-15   | 53,33-52   | 55,39-49   | 58,16-34   | 63,43-02                          | 59,17-94                                  | 63,90-21                           | 61,75-74   |
| (a) The receipts are shown under "Receipts from Road Transport Schemes" from 1949-50.                                                                                   |            |            |            |            |            |            |            |                                   |                                           |                                    |            |
| (b) Prior to 1949-50, the receipts were included under the revenue head "Miscellaneous" and the Working Expenses were shown under the expenditure head "Miscellaneous." |            |            |            |            |            |            |            |                                   |                                           |                                    |            |
| Major heads of expenditure.                                                                                                                                             | 1938-39.   | 1945-46.   | 1946-47.   | 1947-48.   | 1948-49.   | 1949-50.   | 1950-51.   | 1951-52 (Revised Estt. Accounts). | 1951-52 Interim Budget Estimate, 1952-53. | 1952-53. Budget Estimate, 1952-53. | Present    |
| (1)                                                                                                                                                                     | (2)        | (3)        | (4)        | (5)        | (6)        | (7)        | (8)        | (9)                               | (10)                                      | (11)                               | (12)       |
|                                                                                                                                                                         | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS.                        | RS. LAKHS.                                | RS. LAKHS.                         | RS. LAKHS. |
| Land Revenue ..                                                                                                                                                         | 25-36      | 26-01      | 27-12      | 28-98      | 37-44      | 40-42      | 46-10      | 31-92                             | 88-43                                     | 86-74                              | 86-76      |
| Excise ..                                                                                                                                                               | 32-18      | 51-59      | 53-09      | 59-44      | 69-04      | 77-24      | 79-79      | 77-04                             | 83-68                                     | 77-91                              | 77-91      |
| Stamps ..                                                                                                                                                               | 4-72       | 13-74      | 18-23      | 21-04      | 21-16      | 23-05      | 26-25      | 26-23                             | 23-72                                     | 25-22                              | 25-22      |
| Forest ..                                                                                                                                                               | 40-17      | 77-00      | 80-15      | 86-29      | 79-10      | 79-26      | 74-81      | 80-51                             | 79-46                                     | 83-24                              | 83-48      |
| Registration ..                                                                                                                                                         | 29-13      | 38-56      | 43-75      | 48-62      | 51-86      | 60-83      | 52-19      | 59-65                             | 53-55                                     | 54-70                              | 54-82      |
| Charges on account of Motor Vehicles Acts—                                                                                                                              |            |            |            |            |            |            |            |                                   |                                           |                                    |            |
| Payment to local bodies.                                                                                                                                                |            |            |            |            |            |            |            |                                   |                                           |                                    |            |
| Other departmental expenditure.                                                                                                                                         | 75-06      | 68-19      | 80-67      | 96-47      | 1,01-67    | 90-27      | 90-34      | 90-32                             | 90-73                                     | 90-32                              | 92-87      |
|                                                                                                                                                                         |            |            |            |            |            | 6-59       | 8-50       | 9-62                              | 9-93                                      | 9-48                               | 9-18       |

## B. EXPENDITURE ON REVENUE ACCOUNT.

[27th June 1952]

| Major heads of expenditure:                                           | 1938-39.      | 1945-46.      | 1946-47.      | 1947-48.      | 1948-49.      | 1949-50.      | 1950-51.      | 1951-52<br>(Revised<br>Estimate). | 1951-52<br>(Preliminary<br>Accounts). | Interim<br>Budget<br>Estimate,<br>1952-53. | Present<br>Budget<br>Estimate,<br>1952-53. |
|-----------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------------------------|---------------------------------------|--------------------------------------------|--------------------------------------------|
| (1)                                                                   | (2)           | (3)           | (4)           | (5)           | (6)           | (7)           | (8)           | (9)                               | (10)                                  | (11)                                       | (12)                                       |
| RS.<br>LAKHS.                                                         | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS.                     | RS.<br>LAKHS.                         | RS.<br>LAKHS.                              | RS.<br>LAKHS.                              |
| B. EXPENDITURE ON REVENUE ACCOUNT—cont.                               |               |               |               |               |               |               |               |                                   |                                       |                                            |                                            |
| Other taxes and duties—                                               |               |               |               |               |               |               |               |                                   |                                       |                                            |                                            |
| Payments to local bodies.                                             | 64            | 48.41         | 68.72         | 87.03         | 1,19.47       | 97.72         | 1,01.94       | 1,18.22                           | 1,12.46                               | 1,10.00                                    | 1,10.00                                    |
| Other departmental expenditure.                                       |               |               |               |               |               | 43.03         | 45.45         | 45.06                             | 48.64                                 | 45.43                                      | 45.43                                      |
| Irrigation—Interest on works for which capital accounts are kept.     | 87.59         | 89.45         | 91.23         | 95.71         | 1,04.15       | 1,19.15       | 1,42.21       | 1,77.09                           | 1,77.09                               | 2,16.05                                    | 2,16.05                                    |
| Irrigation—Other revenue expenditure financed from ordinary revenues. | 39.09         | 77.54         | 93.94         | 1,28.06       | 1,43.57       | 1,49.42       | 1,43.25       | 1,40.52                           | 1,30.11                               | 1,28.84                                    | 1,28.84                                    |
| Construction of irrigation, etc., works.                              | 1.25          | 6.11          | 0.63          | 2.60          | 4.07          | 5.80          | 3.29          | 0.17                              | 0.55                                  | 0.14                                       | 0.14                                       |
| Interest on debt and other obligations.                               | 58.54         | 65.40         | 78.52         | 81.96         | 1,00.04       | 1,09.39       | 1,23.66       | 1,54.06                           | 1,29.53                               | 1,77.37                                    | 1,62.08                                    |
| Deduct—Interest transferred to Commercial Departments.                | —1,07.54      | —1,26.45      | —1,31.53      | —1,47.82      | —1,73.58      | —2,13.18      | —2,65.54      | —3,43.57                          | —3,43.57                              | —4,34.25                                   | —4,34.25                                   |
| Net amount met out of ordinary revenues.                              | —49.00        | —61.05        | —53.01        | —65.86        | —73.54        | —1,03.79      | —1,41.88      | —1,89.51                          | —2,14.04                              | —2,56.88                                   | —2,72.17                                   |
| Appropriation for reduction or avoidance of debt.                     | 5.13          | 55.90         | 57.00         | 1,42.73       | 69.68         | 75.47         | 75.88         | 1,02.31                           | 1,02.31                               | 1,00.97                                    | 1,06.26                                    |
| General administration ..                                             | 2,76.76       | 4,27.24       | 6,13.86       | 5,60.40       | 5,82.05       | 6,26.32       | 6,54.90       | 6,66.43                           | 7,31.89                               | 7,04.12                                    | 7,11.61                                    |
| Administration of Justice ..                                          | 90.63         | 1,28.80       | 1,42.42       | 1,45.64       | 1,50.03       | 1,58.34       | 1,65.56       | 1,71.05                           | 1,75.86                               | 1,71.50                                    | 1,72.82                                    |
| Jails and convict settlements.                                        | 23.22         | 61.50         | 65.78         | 79.63         | 1,10.22       | 1,18.52       | 1,20.37       | 1,25.38                           | 1,29.54                               | 1,21.54                                    | 1,21.93                                    |
| Police ..                                                             | 1,60.96       | 2,98.03       | 4,05.71       | 4,64.81       | 6,51.97       | 6,89.89       | 6,98.89       | 6,83.43                           | 7,16.88                               | 6,67.27                                    | 6,68.38                                    |
| Ports and Pilotage ..                                                 | ..            | 5.00          | 4.56          | ..            | 0.01          | ..            | ..            | ..                                | ..                                    | ..                                         | ..                                         |
| Scientific Departments ..                                             | 0.96          | 1.53          | 1.21          | 1.37          | 1.52          | 1.58          | 1.64          | 2.23                              | 2.31                                  | 1.90                                       | 1.92                                       |
| Education ..                                                          | 2,61.98       | 4,59.72       | 5,90.27       | 7,03.70       | 8,85.94       | 9,58.41       | 10,42.65      | 10,94.39                          | 10,95.64                              | 11,24.16                                   | 11,79.67                                   |
| Medical ..                                                            | 98.14         | 1,80.00       | 2,15.93       | 2,38.50       | 2,76.54       | 2,96.18       | 3,14.87       | 3,30.08                           | 3,14.46                               | 3,27.25                                    | 3,33.81                                    |
| Public Health ..                                                      | 26.57         | 54.48         | 87.32 (a)     | 1,90.55       | 90.54 (b)     | 1,14.42       | 1,04.66       | 1,61.58                           | 1,85.77                               | 1,43.19                                    | 1,49.10                                    |
| Agriculture ..                                                        | 20.62         | 74.06         | 1,65.74       | 1,16.93       | 1,26.74       | 1,82.74       | 2,75.35       | 3,82.03                           | 3,11.54                               | 3,83.97                                    | 3,88.74                                    |
| Veterinary ..                                                         | 12.85         | 23.64         | 26.95         | 31.81         | 40.58         | 49.67         | 56.69         | 66.32                             | 61.31                                 | 60.60                                      | 62.02                                      |



27th June 1952]

APPENDIX

|                                                               |         |         |         |         |         |         |         |         |         |         |           |
|---------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
| Co-operation .. .. .                                          | 13.82   | 30.93   | 44.33   | 42.69   | 53.41   | 73.64   | 76.48   | 76.68   | 74.99   | 75.86   | 77.81     |
| Industries .. .. .                                            | 27.54   | 72.49   | 96.60   | 1,12.71 | 1,20.30 | 1,29.00 | 1,57.46 | 2,23.19 | 1,87.03 | 2,67.08 | 2,95.50   |
| Capital outlay on Industrial Development.                     | ..      | 22.10   | ..      | 0.02    | 0.06    | 0.32    | 0.25    | 1.19    | 0.35    | 0.25    | 0.25      |
| Aviation .. .. .                                              | ..      | ..      | ..      | ..      | ..      | 0.59    | .75     | .55     | 0.43    | .65     | .65       |
| Miscellaneous departments (d).                                | 21.11   | 71.93   | 87.50   | 1,19.82 | 1,15.55 | 1,31.99 | 1,49.34 | 1,65.43 | 1,60.28 | 1,71.17 | 1,73.54   |
| Civil Works .. .. .                                           | 1,19.70 | 2,81.65 | 3,97.72 | 4,66.69 | 5,88.84 | 7,30.05 | 8,27.83 | 8,01.20 | 7,09.12 | 8,31.36 | 8,27.69   |
| Interest on capital outlay on Electricity Schemes.            | 18.92   | 35.96   | 39.45   | 49.92   | 66.92   | 87.41   | 1,14.36 | 1,57.28 | 1,57.28 | 2,07.10 | 2,07.10   |
| Other revenue expenditure connected with Electricity Schemes. | ..      | 1.13    | 2.32    | 2.92    | 0.11    | — .34   | 8.47    | — .24   | 10.18   | — 2.47  | — 1.37    |
| Famine .. .. .                                                | 16.04   | 6.32    | 20.88   | 3.80    | 4.75    | 25.03   | 8.00    | 11.58   | 13.95   | 7.41    | (c) 60.48 |
| Territorial and Political Pensions.                           | ..      | ..      | ..      | ..      | ..      | ..      | 1.94    | 7.31    | 2.07    | 7.03    | — 55.00   |
| Superannuation allowances and Pensions.                       | 97.12   | 1,38.19 | 1,43.30 | 1,57.53 | 1,56.36 | 1,65.44 | 1,85.24 | 1,98.45 | 1,92.88 | 1,92.31 | 1,92.31   |
| Commutation of pensions ..                                    | ..      | 3.59    | 2.68    | 1.83    | 4.37    | 8.13    | 9.59    | 10.18   | 17.05   | 9.40    | 9.40      |
| Stationery and printing ..                                    | 27.07   | 43.07   | 51.66   | 49.42   | 71.98   | 94.51   | 87.10   | 81.31   | 90.95   | 71.06   | 71.15     |

(a) Includes Rs. 100 lakhs representing contribution to the Rural Water-supply Fund.

(b) Includes Rs. 10 lakhs representing contribution to the Rural Water-supply Fund.

(c) Represents amount transferred from the Famine Relief Fund.

(d) Includes expenditure on Harijan Uplift, Labour and other items. The details of expenditure under Harijan Uplift are shown below : —

|                                                                                 | Accounts,<br>1945-46. | Accounts,<br>1946-47. | Accounts,<br>1947-48. | Accounts,<br>1948-49. | Accounts,<br>1949-50. | Accounts,<br>1950-51. | 1951-52<br>(Revised<br>Estimate). | 1951-52<br>(Prelimi-<br>nary<br>Accounts). | Interim<br>Budget<br>Estimate,<br>1952-53. | Present<br>Budget<br>Estimate,<br>1952-53. |
|---------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|
|                                                                                 | RS.<br>LAKHS.         | RS.<br>LAKHS.         | RS.<br>LAKHS.         | RS.<br>LAKHS.         | RS.<br>LAKHS.         | RS.<br>LAKHS.         | RS.<br>LAKHS.                     | RS.<br>LAKHS.                              | RS.<br>LAKHS.                              | RS.<br>LAKHS.                              |
| Gross expenditure on Harijan Welfare.                                           | 28.84                 | 35.29                 | 41.38                 | 63.75                 | 82.44                 | 1,00.46               | 1,13.11                           | 1,16.70                                    | 1,09.73                                    | 1,12.57                                    |
| Amount met from the Fund for Village Recon-<br>struction and Harijan<br>Uplift. | ..                    | ..                    | — 1.81                | — 4.10                | — 18.44               | — 36.46               | — 49.11                           | — 52.70                                    | — 45.73                                    | — 48.57                                    |
| Net amount ..                                                                   | 28.84                 | 35.29                 | 39.57                 | 59.65                 | 64.00                 | 64.00                 | 64.00                             | 64.00                                      | 64.00                                      | 64.00                                      |

| Major heads of expenditure.                                             | 1938-39.      | 1945-46.      | 1946-47.      | 1947-48.      | 1948-49.      | 1949-50.      | 1950-51.      | 1951-52<br>(Revised<br>Estimate). | 1951-52<br>(Preliminary<br>Accounts). | Interim<br>Budget<br>Estimate,<br>1952-53. | Present<br>Budget<br>Estimate,<br>1952-53. |
|-------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------------------------|---------------------------------------|--------------------------------------------|--------------------------------------------|
| (1)                                                                     | (2)           | (3)           | (4)           | (5)           | (6)           | (7)           | (8)           | (9)                               | (10)                                  | (11)                                       | (12)                                       |
|                                                                         | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS.                     | RS.<br>LAKHS.                         | RS.<br>LAKHS.                              | RS.<br>LAKHS.                              |
| <b>B. EXPENDITURE ON REVENUE ACCOUNT—cont.</b>                          |               |               |               |               |               |               |               |                                   |                                       |                                            |                                            |
| Miscellaneous—                                                          |               |               |               |               |               |               |               |                                   |                                       |                                            |                                            |
| Expenditure on Bus Service.                                             | ..            | ..            | ..            | 12.44         | 90.81         | *             | ..            | ..                                | ..                                    | ..                                         | ..                                         |
| Other items .. ..                                                       | 4.39          | 1,52.66       | (a) 5,21.98   | 1,06.86       | 1,33.24       | 43.58         | 29.76         | 23.72                             | 23.62                                 | 72.35                                      | 22.35                                      |
| Extraordinary charges—                                                  |               |               |               |               |               |               |               |                                   |                                       |                                            |                                            |
| Net outlay on State Trading Schemes transferred to the Revenue Account. | ..            | — 1,60.35     | 12,20.77      | — 16.04       | 2,03.63       | (b)           | (b)           | (b)                               | (b)                                   | (b)                                        | (b)                                        |
| Other items .. ..                                                       | ..            | — 0.02        | 2,15.90       | 1,84.53       | 78.61         | 1,13.41       | 1,06.29       | 94.58                             | 95.99                                 | 87.96                                      | 90.46                                      |
| Total .. ..                                                             | ..            | — 1,60.37     | 14,36.67      | 1,68.49       | 2,82.24       | 1,13.41       | 1,06.29       | 94.58                             | 95.99                                 | 87.96                                      | 90.46                                      |
| Transfer to Revenue Reserve Fund.                                       | ..            | 17,31.00      | ..            | 4,90.00       | ..            | ..            | ..            | ..                                | ..                                    | ..                                         | ..                                         |
| Civil Defence .. ..                                                     | ..            | 1,62.64       | 38.79         | 20.29         | 1.17          | 0.72          | 0.46          | 0.16                              | 0.05                                  | ..                                         | ..                                         |
| Grand total .. ..                                                       | ..            | 47,98.74      | 57,04.65      | 50,69.93      | 53,33.42      | 55,54.01      | 59,45.21      | 63,57.64                          | 62,47.04                              | 64,76.18                                   | 65,34.44                                   |
| Final Revenue Surplus (+) or Deficit (—).                               | + 3.73        | + 0.15        | + 0.37        | + 0.22        | + 0.10        | + 35.48       | — 1,28.87     | — 9.62                            | — 3,29.10                             | — 85.97                                    | — 3,58.70                                  |

(a) Includes Rs. 400 lakhs representing contribution to the Village Reconstruction and Harijan Uplift Fund.

(b) Shown under Capital Account. The figures are: — 4,49.11 — 1,38.13 — 2,24.27 — 1,31.11 + 28.81 + 8.81

\* Working Expenses of the Madras City Bus Service are taken in deduction of the receipts from 1949-50.



27th June 1952]

## ANNEXURE II.

## DETAILS OF CAPITAL EXPENDITURE.

| Description of schemes.                                        | Approximate estimated cost. | A. IRRIGATION, NAVIGATION, ETC., SCHEMES. |            |            |            |              |            |              |            |            |            |
|----------------------------------------------------------------|-----------------------------|-------------------------------------------|------------|------------|------------|--------------|------------|--------------|------------|------------|------------|
|                                                                |                             | (2)                                       | (3)        | (4)        | (5)        | (6)          | (7)        | (8)          | (9)        | (10)       | (11)       |
|                                                                | RS. LAKHS.                  | RS. LAKHS.                                | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS.   | RS. LAKHS. | RS. LAKHS.   | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| Tungabhadra Project (Irrigation Side).                         | 17,00-00                    | 52-40                                     | 1,07-92    | 1,82-27    | 2,42-01    | 2,28-51      | 3,40-00    | 11,54-11     | 2,90-00    | 2,90-00    | 2,90-00    |
| Lower Bhavani Project                                          | 8,03-00                     | ..                                        | 1-85       | 20-38      | 1,62-05    | 2,55-99      | 2,60-00    | 7,09-27      | 1,94-00    | 1,94-00    | 1,94-00    |
| Mettur Canals Scheme                                           | 2,36-00                     | ..                                        | ..         | ..         | 5-97       | 13-39        | 27-46      | 45-92        | 35-13      | 35-13      | 35-13      |
| Malampuzha Project                                             | 3,81-00                     | ..                                        | ..         | ..         | 18-40      | 60-93        | 84-80      | 1,64-13      | 1,00-33    | 1,00-33    | 1,00-33    |
| Rallapada Project                                              | 48-00                       | ..                                        | ..         | 01         | 4-60       | 2-74         | 4-78       | 12-80        | 13-49      | 10-49      | 10-49      |
| Manimathar Project                                             | 3,69-00                     | ..                                        | ..         | ..         | ..         | 6-09         | 13-60      | 19-59        | 50-20      | 40-20      | 40-20      |
| Godavari Delta System                                          | (a)                         | 9-57                                      | 20-79      | (b)        | 84         | 4-55         | 4-55       | 39-25        | 12-71      | 10-03      | 10-03      |
| Krishna Delta System                                           | (a)                         | 1-29                                      | 14-94      | (b)        | 22-49      | 8-10         | 8-10       | 86-08        | 24-99      | 19-99      | 19-99      |
| Rompertu Drainage Scheme                                       | 1,01-00                     | 2-80                                      | ..         | 2-17       | 1-26       | 22-69        | 10-54      | 2,02-53      | 75-00      | 60-00      | 60-00      |
| Tank Improvement Schemes                                       | ..                          | ..                                        | ..         | ..         | ..         | 1,05-53      | 47-00      | ..           | 75-00      | 75-00      | 75-00      |
| Lump-sum provision for Irrigation Schemes having G.M.F. value. | (a) - 5-32                  | ..                                        | 7-70       | 20-32      | 19-91      | 62-72        | 50-14      | 1,64-77      | 88-13      | 68-13      | 68-13      |
| Other Irrigation Schemes (Productive and Unproductive).        | 1-04                        | ..                                        | 3-67       | 3-55       | 1-75       | 7-07         | 4-75       | 21-83        | 6-29       | 6-29       | 6-29       |
| Pro-rata charges on Establishment and Tools and Plant.         | ..                          | ..                                        | ..         | ..         | ..         | -1,06-57 (c) | ..         | -1,06-57 (c) | -80-00     | ..         | ..         |
| Lump-sum deduction for probable savings.                       | ..                          | ..                                        | ..         | ..         | ..         | ..           | ..         | ..           | ..         | ..         | ..         |
| Total ..                                                       | ..                          | 61-58                                     | 1,56-88    | 2,48-66    | 4,78-45    | 6,62-49      | 9,05-62    | 25,13-71     | 8,96-59    | 8,96-59    | 8,96-59    |

(a) Consists of several works some of which have been completed while others are in progress. Hence no estimated cost is given.

(b) Included under "Other Irrigation Schemes."

(c) Represents transfer from the Deposit Account of Procurement Bonus given by the Government of India towards expenditure on approved G.M.F. Schemes.

[27th June 1962]

| Description of schemes.                                                                                                                             | Approximate<br>estimated<br>cost. | 1946-47.       | 1947-48.       | 1948-49.       | 1949-50.       | 1950-51.       | Revised<br>Estimate,<br>1951-52. | Total<br>(1946-47 to<br>1951-52). | Interim<br>Budget<br>Estimate,<br>1952-53. | Present<br>Budget<br>Estimate,<br>1952-53. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------------------|-----------------------------------|--------------------------------------------|--------------------------------------------|
| (1)                                                                                                                                                 | (2)                               | (3)            | (4)            | (5)            | (6)            | (7)            | (8)                              | (9)                               | (10)                                       | (11)                                       |
|                                                                                                                                                     | RS.<br>LAKHS.                     | RS.<br>LAKHS.  | RS.<br>LAKHS.  | RS.<br>LAKHS.  | RS.<br>LAKHS.  | RS.<br>LAKHS.  | RS.<br>LAKHS.                    | RS.<br>LAKHS.                     | RS.<br>LAKHS.                              | RS.<br>LAKHS.                              |
| <b>B. CAPITAL OUTLAY ON ELECTRICITY SCHEMES.</b>                                                                                                    |                                   |                |                |                |                |                |                                  |                                   |                                            |                                            |
| Machkund Hydro-Electric Scheme                                                                                                                      | 12,87.40                          | 3.32           | 10.00          | 29.18          | 39.38          | 72.79          | 2,28.26                          | 4,33.02                           | 2,61.54                                    | 2,61.50                                    |
| Moyar Hydro-Electric Scheme ..                                                                                                                      | 4,63.90                           | 23.68          | 35.67          | 69.96          | 64.68          | 74.72          | 66.85                            | 3,35.56                           | 11.66                                      | 10.31                                      |
| Pykara Hydro-Electric Scheme ..                                                                                                                     | ..                                | 21.45          | 71.56          | 40.18          | 82.01          | 1,13.98        | 86.66                            | 4,20.84                           | 1,77.67                                    | 1,40.95                                    |
| Mettur Hydro-Electric Scheme ..                                                                                                                     | ..                                | 20.27          | 60.44          | 63.21          | 65.49          | 1,01.82        | 32.08                            | 3,98.31                           | 96.15                                      | 75.91                                      |
| Papanasam Hydro-Electric Scheme.                                                                                                                    | ..                                | 17.54          | — 65           | 90.33          | 66.09          | 58.97          | 58.80                            | 2,91.67                           | 97.90                                      | 71.40                                      |
| Madras Thermal Electric System ..                                                                                                                   | 6,21.00                           | ..             | 1,65.67        | 45.16          | 34.40          | 1,76.78        | 1,04.00                          | 5,80.01                           | 1,41.76                                    | 1,27.40                                    |
| Ceded Districts Scheme ..                                                                                                                           | 75.78                             | ..             | 55             | 10.26          | 13.83          | 22.97          | 17.26                            | 6.60                              | 71.47                                      | 9.66                                       |
| Vizakhapatnam Thermal Scheme ..                                                                                                                     | ..                                | 2.46           | 5.54           | 4.04           | 17.09          | 10.38          | 8.79                             | 48.30                             | 10.89                                      | 6.21                                       |
| Vijayavada Thermal Scheme ..                                                                                                                        | ..                                | 2.12           | 15.77          | 8.76           | 16.46          | 4.62           | 5.13                             | 52.86                             | 16.29                                      | 5.13                                       |
| Kakinada Thermal Scheme ..                                                                                                                          | ..                                | ..             | ..             | ..             | ..             | ..             | ..                               | ..                                | ..                                         | ..                                         |
| Vijayavada-Rajahmundry-Samalkot<br>Extensions.                                                                                                      | 1,57.74                           | 6.88           | 22.76          | 41.49          | 35.46          | 46.40          | 13.86                            | 1,66.85                           | 14.92                                      | 10.25                                      |
| Nellore Thermal Scheme ..                                                                                                                           | ..                                | ..             | 27.13          | ..             | 6.92           | 18.02          | 6.46                             | 59.43                             | 15.90                                      | 13.67                                      |
| Kurnool Thermal Scheme ..                                                                                                                           | ..                                | ..             | ..             | ..             | ..             | ..             | ..                               | ..                                | ..                                         | ..                                         |
| Tungabhadra Hydro-Electric<br>Scheme.                                                                                                               | 7,94.00                           | ..             | ..             | ..             | ..             | 0.98           | 2.32                             | 3.25                              | 35.30                                      | 18.16                                      |
| Lump-sum provision for payment of<br>compensation for acquisition of<br>electrical undertakings of local<br>authorities and private com-<br>panies. | 3,39.00                           | ..             | ..             | ..             | ..             | ..             | 20.00                            | 20.00                             | 64.43                                      | 20.00                                      |
| Other Minor Schemes ..                                                                                                                              | ..                                | 1.28           | ..             | ..             | ..             | ..             | ..                               | ..                                | ..                                         | ..                                         |
| Lump-sum deduction for probable<br>savings.                                                                                                         | ..                                | ..             | ..             | ..             | ..             | ..             | ..                               | ..                                | ..                                         | ..                                         |
| <b>Total ..</b>                                                                                                                                     | <b>..</b>                         | <b>1,00.85</b> | <b>4,24.76</b> | <b>4,24.55</b> | <b>5,63.85</b> | <b>7,37.45</b> | <b>7,25.00</b>                   | <b>29,76.46</b>                   | <b>8,00.00</b>                             | <b>8,00.00</b>                             |



| Description of schemes.                                                | 1946-47.      | 1947-48.      | 1948-49.       | 1949-50.      | 1950-51.      | 1951-52<br>(Revised<br>Estimate). | Total<br>(1946-47 to<br>1951-52). | Interim<br>Budget<br>Estimate,<br>1952-53. | Present<br>Budget<br>Estimate,<br>1952-53. |
|------------------------------------------------------------------------|---------------|---------------|----------------|---------------|---------------|-----------------------------------|-----------------------------------|--------------------------------------------|--------------------------------------------|
| (1)                                                                    | (2)           | (3)           | (4)            | (5)           | (6)           | (7)                               | (8)                               | (9)                                        | (10)                                       |
|                                                                        | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS.  | RS.<br>LAKHS. | RS.<br>LAKHS. | RS.<br>LAKHS.                     | RS.<br>LAKHS.                     | RS.<br>LAKHS.                              | RS.<br>LAKHS.                              |
| <b>C. INDUSTRIAL DEVELOPMENT SCHEMES.</b>                              |               |               |                |               |               |                                   |                                   |                                            |                                            |
| Cinchona Plantations .. .. .                                           | 13.71         | 13.04         | 17.23          | 21.52         | 12.44         | 9.82                              | 87.76                             | 6.97                                       | 6.98                                       |
| Kerala Soap Institute .. .. .                                          | ..            | ..            | ..             | ..            | ..            | 0.11                              | 0.11                              | 0.40                                       | 0.40                                       |
| Madras Industrial Engineering Workshop. .. .. .                        | ..            | ..            | ..             | 0.02          | ..            | ..                                | 0.02                              | ..                                         | ..                                         |
| Fish Liver Oil Industry .. .. .                                        | ..            | ..            | ..             | 0.05          | 0.05          | 0.40                              | 0.50                              | 2.00                                       | 2.00                                       |
| Madras Vegetable Ghee Factory .. .. .                                  | 27            | 27            | 2.01           | 4.25          | 3.16          | 1.75                              | 12.11                             | 1.70                                       | 1.70                                       |
| Government Silk Filatures .. .. .                                      | ..            | ..            | ..             | 1.33          | 0.14          | 2.39                              | 3.89                              | ..                                         | 0.20                                       |
| Polytechnics (buildings and tools and plant). .. .. .                  | ..            | ..            | ..             | 9.58          | 2.47          | 22.53                             | 34.58                             | 21.25                                      | 14.77                                      |
| Artesian Wells .. .. .                                                 | ..            | ..            | ..             | ..            | 9.80          | 5.00                              | 15.80                             | 0.15                                       | 0.15                                       |
| Shares in Fertilisers and Chemicals,<br>Limited, Travancore. .. .. .   | ..            | ..            | 20.00          | ..            | 1.00          | ..                                | 21.00                             | ..                                         | ..                                         |
| Shares in Madras Industrial Investment<br>Corporation, Madras. .. .. . | ..            | ..            | 51.00          | ..            | 51.00         | ..                                | 1,02.00                           | ..                                         | ..                                         |
| Other Shares .. .. .                                                   | ..            | ..            | ..             | ..            | 2.40          | ..                                | 2.40                              | ..                                         | ..                                         |
| Ceramic Industry .. .. .                                               | ..            | ..            | 0.02           | 16            | ..            | 0.82                              | 1.00                              | 6.50                                       | 6.30                                       |
| Andhra Paper Mills .. .. .                                             | ..            | ..            | 25.35          | ..            | 0.43          | 0.48                              | 26.26                             | ..                                         | ..                                         |
| <b>Total ..</b>                                                        | <b>13.98</b>  | <b>13.71</b>  | <b>1,15.61</b> | <b>36.94</b>  | <b>82.89</b>  | <b>44.30</b>                      | <b>3,07.43</b>                    | <b>38.97</b>                               | <b>32.50</b>                               |
| <b>D. CAPITAL OUTLAY ON ROAD TRANSPORT SCHEMES.</b>                    |               |               |                |               |               |                                   |                                   |                                            |                                            |
| Madras City Bus Service .. .. .                                        | 2.76          | 30.68         | 26.65          | 12.95         | 3.83          | 4.68                              | 77.19                             | ..                                         | 6.48                                       |
| <b>E. CAPITAL OUTLAY ON CIVIL WORKS.</b>                               |               |               |                |               |               |                                   |                                   |                                            |                                            |
| Original Works—Buildings .. .. .                                       | 10.72         | 9.89          | 33.36          | 61.09         | 84.51         | 1,16.07                           | 3,15.64                           | 1,80.94                                    | 1,30.94                                    |
| <b>F. COMPENSATION TO ZAMINDARS.</b>                                   |               |               |                |               |               |                                   |                                   |                                            |                                            |
| Advance Compensation and interim<br>payments. .. .. .                  | ..            | ..            | ..             | 1,32.16       | 1,17.87       | 1,68.50                           | 4,18.53                           | 70.00                                      | 70.00                                      |

Notes.—For State Trading Schemes, see footnote on page 34 above.

[27th June 1952]

## ANNEXURE III.

## STATEMENT OF THE DEBT POSITION OF THE MADRAS GOVERNMENT (EXCLUDING TEMPORARY ADVANCES).

| When issued.                                                          | Description of loan.            | Total amount issued. | Amount outstanding on 31st March 1952. | Remarks.                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------|---------------------------------|----------------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (1)                                                                   | (2)                             | (3)                  | (4)                                    | (5)                                                                                                                                                                                                                                                                                 |
|                                                                       |                                 | RS.<br>LAKHS.        | RS.<br>LAKHS.                          |                                                                                                                                                                                                                                                                                     |
| <b>I. OPEN MARKET LOANS.</b>                                          |                                 |                      |                                        |                                                                                                                                                                                                                                                                                     |
| September 1937 and September 1940.                                    | 3% Loan, 1952, I and II issues. | 2,33.54              | 2,18.95                                |                                                                                                                                                                                                                                                                                     |
| September 1938.                                                       | 3% Loan, 1953.                  | 1,51.29              | 1,42.08                                |                                                                                                                                                                                                                                                                                     |
| June 1939 ..                                                          | 3% Loan, 1953.                  | 1,50.00              | 1,23.96                                |                                                                                                                                                                                                                                                                                     |
| September 1942.                                                       | 3% Loan, 1955.                  | 1,25.00              | 1,23.25                                |                                                                                                                                                                                                                                                                                     |
| September 1943.                                                       | 3% Loan, 1956.                  | 1,25.10              | 1,25.10                                |                                                                                                                                                                                                                                                                                     |
| August 1944 ..                                                        | 3% Loan, 1958.                  | 1,10.00              | 1,07.95                                |                                                                                                                                                                                                                                                                                     |
| September 1945.                                                       | 3% Loan, 1960.                  | 3,00.00              | 2,78.44                                |                                                                                                                                                                                                                                                                                     |
| September 1946.                                                       | 2½% Loan, 1961.                 | 4,09.30              | 3,81.77                                |                                                                                                                                                                                                                                                                                     |
| July 1950 ..                                                          | 3% Development Bonds, 1960.     | 4,39.75              | 4,38.23                                |                                                                                                                                                                                                                                                                                     |
| September 1951.                                                       | 3½% Loan, 1962.                 | 3,01.49              | 3,01.49                                |                                                                                                                                                                                                                                                                                     |
|                                                                       | <b>Total, I ..</b>              | <b>23,45.47</b>      | <b>22,41.25</b>                        |                                                                                                                                                                                                                                                                                     |
| <b>II. LOANS FROM THE CENTRAL GOVERNMENT.</b>                         |                                 |                      |                                        |                                                                                                                                                                                                                                                                                     |
| (1) Pre-autonomy consolidated debt (1st April 1937).                  | ..                              | 7,56.71              | 3,19.77                                | The Madras Government's debt to the Government of India after certain adjustments amounted to Rs. 7,56.71 lakhs on 1st April 1937. This debt was consolidated into a 4½ per cent loan and it is repayable by 1981-82 by half-yearly equated instalments.                            |
| (2) Post-autonomy debt—                                               |                                 |                      |                                        |                                                                                                                                                                                                                                                                                     |
| 1947-48 ..                                                            | ..                              | ..                   | 6,00.00                                | These are loans given by the Government of India for capital expenditure on Irrigation and Electricity Schemes when the Madras Government did not raise any market loan. Interest is payable at 2.7/8 per cent half-yearly. The principal is repayable after 15 years in each case. |
| 1948-49 ..                                                            | ..                              | ..                   | 3,00.00                                |                                                                                                                                                                                                                                                                                     |
| 1950-51—                                                              |                                 |                      |                                        |                                                                                                                                                                                                                                                                                     |
| Fisheries Programme—                                                  | ..                              | 1.33                 | ..                                     | As there was no likelihood of the loan being utilized for the purpose, it was repaid to the Government of India in full with interest at 3½ per cent per annum in October 1951.                                                                                                     |
| For giving a loan to the South Madras Fishermen Co-operative Society. | ..                              | ..                   | ..                                     |                                                                                                                                                                                                                                                                                     |



27th June 1952]

| When issued. | Description of loan. | Total amount issued. | Amount outstanding on 31st March 1952. | Remarks. |
|--------------|----------------------|----------------------|----------------------------------------|----------|
| (1)          | (2)                  | (3)                  | (4)                                    | (5)      |
|              |                      | RS.                  | RS.                                    |          |
|              |                      | LAKHS.               | LAKHS.                                 |          |

## II. LOANS FROM THE CENTRAL GOVERNMENT—cont.

## (2) Post-autonomy debt—cont.

1950-51—cont.

|                                                                                   |    |         |                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------|----|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tractor                                                                           | .. | 30-00   | } Loans given by the Government of India in connexion with the Intensive Cultivation Schemes. Interest at 3½ per cent per annum is payable half-yearly. Principal is repayable after 15 years.          |
| Reclamation.                                                                      | .. | 20-00   |                                                                                                                                                                                                         |
| Oil Engines,                                                                      | .. | ..      | } Loans given in connexion with the Intensive Cultivation Schemes. Interest at 3½ per cent per annum is payable half-yearly. Principal is repayable after 15 years.                                     |
| Electric Motors, etc.,                                                            | .. | 40-00   |                                                                                                                                                                                                         |
| Hire purchase.                                                                    | .. | ..      | } The loan was free of interest and the principal was repaid on the 31st March 1952.                                                                                                                    |
| Oil Engines,                                                                      | .. | 45-00   |                                                                                                                                                                                                         |
| Electric Motors, etc.,                                                            | .. | ..      | } This was a short-term loan repaid on the 31st March 1952.                                                                                                                                             |
| Hire purchase.                                                                    | .. | 10-00   |                                                                                                                                                                                                         |
| P.W.D. Irrigation and Tank Improvement Schemes.                                   | .. | ..      | } Repayable by annual equated instalments commencing from 1955 and ending in 1961. For the first three years, i.e., 1952-53, 1953-54 and 1954-55, interest alone at 3½ per cent per annum is to be paid |
| Purchase of cotton seeds from Madhya Pradesh for expansion of cotton cultivation. | .. | 1,00-00 |                                                                                                                                                                                                         |

1951-52—

|                                                                           |    |         |                                                                                                                                                                                                         |
|---------------------------------------------------------------------------|----|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purchase and distribution of manure to the ryots.                         | .. | 6-00-00 | } Repayable by annual equated instalments commencing from 1955 and ending in 1961. For the first three years, i.e., 1952-53, 1953-54 and 1954-55, interest alone at 3½ per cent per annum is to be paid |
| To finance capital expenditure on Tungabhadra and Lower Bhavani Projects. | .. | 28-00   |                                                                                                                                                                                                         |
| P.W.D. Irrigation Schemes.                                                | .. | 9-00    | } Repayable in ten annual equated instalments with interest at 3½ per cent per annum.                                                                                                                   |
| River Pumping Schemes.                                                    | .. | ..      |                                                                                                                                                                                                         |

[27th June 1952]

| When issued. | Description of loan. | Total amount issued. | Amount outstanding on 31st March 1952. | Remarks. |
|--------------|----------------------|----------------------|----------------------------------------|----------|
| (1)          | (2)                  | (3)                  | (4)                                    | (5)      |
|              |                      | RS.                  | RS.                                    |          |
|              |                      | LAKHS.               | LAKHS.                                 |          |

## II. LOANS FROM THE CENTRAL GOVERNMENT—cont.

## (3) Post-autonomy debt—cont.

## 1951-52—cont.

|                                                                         |          |                                                                                      |
|-------------------------------------------------------------------------|----------|--------------------------------------------------------------------------------------|
| Tractor Cultivation Schemes.                                            | 13-00    | Repayable in ten annual equated instalments with interest at 3½ per cent per annum.  |
| Purchase and distribution of oil engines, and electric motor pump-sets. | 12-00    | Repayable in five annual equated instalments with interest at 3½ per cent per annum. |
| Industrial Housing Schemes.                                             | 9-00     | This loan was interest-free and the principal is repayable after 25 years.           |
| Total, II ..                                                            | 20,20-77 |                                                                                      |
| Total, I and II ..                                                      | 42,52-02 |                                                                                      |

## III. SPECIAL IRREDEEMABLE LOANS

|                                                                                                                        | Amount.     |
|------------------------------------------------------------------------------------------------------------------------|-------------|
|                                                                                                                        | RS.         |
| (1) Four bonds bearing interest at 8 per cent per annum issued between the years 1796 and 1807.                        | 1,33,000    |
| (2) Two bonds bearing interest at 6 per cent per annum issued in the years 1795 and 1817.                              | 10,500      |
| (3) A deposit bearing interest at 6 per cent per annum received in 1817.                                               | 41,770      |
| (4) A deposit bearing interest at 4 per cent per annum (now treated as an Endowment for the Stanley Hospital, Madras). | 66,878      |
| Total, III ..                                                                                                          | 2,52,148    |
|                                                                                                                        | or          |
|                                                                                                                        | 2,52 lakhs. |
|                                                                                                                        | RS.         |
|                                                                                                                        | LAKHS.      |
| Grand total—Loans outstanding on the 31st March 1952 (I + II + III).                                                   | 43,64-54    |



27th June 1952]

## ANNEXURE IV.

STATEMENT COMPARING THE PROVISION MADE IN THE REVISED ESTIMATE, 1951-52, AND BUDGET ESTIMATE, 1952-53, FOR THE SCHEMES INCLUDED IN THE FIVE-YEAR PLAN WITH THE ALLOTMENTS ORIGINALLY MADE IN THAT PLAN FOR THESE TWO YEARS.

|                                                 | 1951-52.      |                   | 1952-53.      |                          |
|-------------------------------------------------|---------------|-------------------|---------------|--------------------------|
|                                                 | Plan.         | Revised Estimate. | Plan.         | Present Budget Estimate. |
|                                                 | RS.<br>LAKHS. | RS.<br>LAKHS.     | RS.<br>LAKHS. | RS.<br>LAKHS.            |
| <b>I. Agricultural and Rural Development—</b>   |               |                   |               |                          |
| 1 Agriculture .. ..                             | 478           | 536               | 352           | 345                      |
| 2 Veterinary and Animal Husbandry .. ..         | 20            | 20                | 20            | 19                       |
| 3 Dairying and Milk supply .. ..                | 16            | 15                | 15            | 15                       |
| 4 Forest .. ..                                  | 11            | 10                | 7             | 10                       |
| 5 Co-operation .. ..                            | 24            | 10                | 28            | 13                       |
| 6 Fisheries .. ..                               | 12            | 16                | 19            | 12                       |
| 7 Rural Development .. ..                       | 29            | 24                | 31            | 29                       |
| <b>Total, I ..</b>                              | <b>589</b>    | <b>631</b>        | <b>472</b>    | <b>443</b>               |
| <b>II. Major Irrigation and Power Projects.</b> | <b>1,804</b>  | <b>1,471</b>      | <b>2,268</b>  | <b>1,544</b>             |
| <b>III. Industry—</b>                           |               |                   |               |                          |
| 1 Cottage Industries .. ..                      | 37            | 22                | 21            | 28                       |
| 2 Other Industries .. ..                        | 59            | 46                | 27            | 32                       |
| <b>Total, III ..</b>                            | <b>96</b>     | <b>68</b>         | <b>48</b>     | <b>60</b>                |
| <b>IV. Transport (Roads) ..</b>                 | <b>204</b>    | <b>202</b>        | <b>152</b>    | <b>162</b>               |
| <b>V. Social Services—</b>                      |               |                   |               |                          |
| 1 Education .. ..                               | 142           | 117               | 158           | 118                      |
| 2 Medical .. ..                                 | 102           | 47                | 81            | 74                       |
| 3 Public Health .. ..                           | 168           | 145               | 173           | 110                      |
| 4 Housing .. ..                                 | 120           | 91                | 120           | 81                       |
| 5 Labour and Labour Welfare .. ..               | ..            | ..                | ..            | ..                       |
| 6 Amelioration of Backward Classes .. ..        | 93            | 124               | 93            | 123                      |
| <b>Total, V ..</b>                              | <b>625</b>    | <b>524</b>        | <b>625</b>    | <b>486</b>               |
| <b>Grand total ..</b>                           | <b>3,318</b>  | <b>2,896</b>      | <b>3,565</b>  | <b>2,695</b>             |